In the claims:

1. (Currently amended) A method of processing a digitally watermarked media signal, the method comprising:

receiving a watermarked media signal in a first device;

filtering <u>audio or visual information of</u> the watermarked media signal to leave a <u>portion of the audio visual information representing a residual signal from which a digital watermark is decoded;</u>

sending the [filtered] residual signal to a remote system separate from the first device for extracting the digital watermark from the residual signal.

- 2. (Currently amended) The method of claim 1 including: progressively sending [residual signals in more detail] levels of detail of the residual signal to the remote system.
- 3. (Original) The method of claim 1 wherein the residual signal comprises a quantized version of the watermarked media signal.
- 4. (Currently amended) The method of claim 1 including:
 transforming the watermarked signal into a domain in which the digital
 watermark is embedded before sending the [filtered] residual signal to the remote system.
- 5. (Original) The method of claim 4 including transforming the watermarked signal into a color space.
 - 6. (Original) The method of claim 1 including: capturing the watermarked signal from a capture device.
- 7. (Original) The method of claim 6 wherein the capture device comprises a camera.

- 8. (Original) The method of claim 6 wherein the capture device comprises a microphone.
- 9. (Currently amended) A [storage] computer readable medium on which is stored instructions for performing a method of processing a digitally watermarked media signal, the method comprising:

receiving a watermarked media signal;

filtering <u>audio or visual information of</u> the watermarked media signal to leave a <u>portion of the audio visual information representing a residual signal from which a digital watermark is decoded;</u>

sending the [filtered] residual signal to a remote system for extracting the digital watermark from the residual signal.

10. (Currently amended) A method of processing a digitally watermarked media signal, the method comprising:

receiving a watermarked media signal in a first device;

identifying portions of the watermarked media signal to send to a remote system for watermark decoding; and

progressively sending the portions of the watermarked media signal to the remote system separate from the first device for watermark decoding, wherein progressively sending includes sending an increasing amount of the watermarked media signal to the remote system as necessary to achieve a successful decoding of a digital watermark from the watermarked media signal.

11. (Original) The method of claim 10 including:

identifying blocks of the watermarked signal that are likely to have a stronger watermark signal for sending to the remote system.

12. (Original) The method of claim 11 wherein the identifying includes analyzing signal metrics of the blocks and ranking the blocks for sending based on the signal metrics.

13. (Original) The method of claim 10 including:

progressively sending frames of the watermarked signal to the remote system for watermark decoding.

- 14. (Original) The method of claim 13 including progressively sending frames of images.
- 15. (Original) The method of claim 13 including: progressively sending filtered frames of the watermarked signal.
- 16. (Currently amended) A [storage] computer readable medium on which is stored instructions for performing a method of processing a digitally watermarked media signal, the method comprising:

receiving a watermarked media signal;

identifying portions of the watermarked media signal to send to a remote system for watermark decoding; and

progressively sending the portions of the watermarked media signal to the remote system for watermark decoding, wherein progressively sending includes sending an increasing amount of the watermarked media signal to the remote system as necessary to achieve a successful decoding of a digital watermark from the watermarked media signal.